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Firearms Bureau Investigation Summaries

Justice Dept. Sent Bribery Allegations

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Federal investigators pursuing a "terrorism for hire" case against two former CIA agents have referred at least two cases of alleged bribery to the Justice Department for possible prosecution.

One case involves a former congressional liaison for the Army Materiel Command and later the Federal Energy Administration.

The bribery allegations, still under investigation, are contained in investigative case summaries compiled over the past two years by agents of the Treasury Department's Bureau of Alcohol, Tobacco and Firearms (BATF). The agents are part of a team of federal investigators that has constructed a broad criminal conspiracy case against ex-CIA agents Edwin P. Wilson and Francis E. Terpil.

The alleged conspiracy, spelled out in an April, 1980, grand jury indictment naming both men, involved the shipment of high explosives, electronic timers, prohibited night vision equipment and commando training for the regime of radical Libyan dictator Col. Muammar Qaddafi. It included an alleged \$1 million assassination attempt on behalf of Qaddafi against a dissident Libyan expatriate.

Prosecutors assigned to the case, E. Lawrence Barcella and Carol E. Bruce, said they had "absolutely no comment" on the report.

In their summary, BATF agents state that Wilson and Terpil's activities in Libya have demonstrated "that the United States, in effect, has become a major supplier of hardware and technology in support of worldwide terrorism."

In part to further these alleged efforts, the confidential report continues, "They [Wilson and Terpil] are also known to bribe U.S. government officials to enhance their businesses as evidenced by the Paul Cyr referral and the William Weisenburger referral." Referral means that the cases are sent to the Justice Department for further investigation and possible prosecution.

Cyr, 60, a longtime Capitol Hill fixture in lobbying circles, was the chief congressional liaison for the Army Materiel Command during much of the 1960s and early 1970s. In the mid-1970s, he became the chief congressional advocate for the Federal Energy Administration (FEA) and when the FEA was succeeded by the Department of Energy, Cyr became the deputy director for congressional relations. He was not available for comment.

Weisenburger, a longtime CIA engineer, was fired

from his post in 1977 by then-CIA Director Stansfield Turner for assisting Wilson in constructing 10 prototype delayed-action timers for use in bombs in Libyan terrorist programs. Weisenburger also was not available for comment, but a source close to the family said that he was not aware of the bribery allegation against him. The source said that Weisenburger felt he had been "duped" by Wilson into assisting with the electronic timer construction while on active duty with the CIA.

Cyr, an avid sportsman whose hunting partners have included several congressmen, distinguished himself for behind-the-lines commando experience in World War II where he served in the Office of Strategic Services (OSS), a predecessor of the CIA.

The investigative report does not go into detail about the bribery allegations, but several sources familiar with the investigation said that they concerned alleged payments to Cyr to protect and promote Wilson's interests at a time when Wilson was trying to maintain his influence on

Capitol Hill in support of highly classified intelligence projects and other ventures involving the string of companies he ran out of offices at 1425 K Street NW. There is no indication in the report that Cyr knew anything about Wilson's Libyan activities.

Also included in the dozens of pages of investigative summaries are new and revealing details about the Wilson-Terpil operation:

- Wilson and Terpil allegedly lured three Cuban CIA contract agents to Geneva in September, 1976, by implying that their mission would be to assassinate, for the CIA, notorious international terrorist Il-litch Ramirez Sanchez, better known as "Carlos," and who is believed to be the planner of the 1972 Munich

massacre at the summer Olympics. As it turned out, the Cubans balked when the real target turned out to be an exiled Qaddafi rival named Umar Abdullah Muhayshi.

- Jerome S. Brower, the convicted California explosives manufacturer who supplied Qaddafi through Wilson with more than 20 tons of C4 *plastique*, allegedly offered to enlist financial sources in organized crime to help a Navy weapons engineer develop a desert resort complex. This offer, according to the Navy engineer, allegedly was made several years before Brower successfully recruited the engineer to advise Qaddafi's security forces in Libya on how to build bombs and other terrorist devices. The desert resort proposal never materialized.

- Prosecutors have obtained secret tape recordings of Wilson conversations with his onetime secretary, Eula Harper, who is cooperating with the grand jury investigation under a grant of immunity. Harper is the wife of John Henry Harper, one of the first explosives experts recruited by Wilson from the ranks of his former CIA colleagues to help the Libyans build exploding lamps, ashtrays, coat hangers, teapots and other terrorist instruments.

The purpose of these exploding devices, which were assembled in a hideaway desert laboratory at the Winter Palace of Libya's deposed monarch, King Idris, according to the investigative summary, was described by Wilson: "You know, the colonel [Qaddafi] may sometimes have some young colonels or some officers or something that are getting out of line that he wants to send a present to."

The federal investigators, pursuing Wilson's worldwide business network and his effective use of former military and intelligence personnel, concluded: "Former Central Intelligence Agency personnel, military special forces personnel and U.S. corporations combine to supply products and expertise to whoever can pay the price."

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"Libya, the recipient in this case," the report continued, "publicly admits that it gives training, weaponry and funding to terrorist organizations throughout the world, specifically... the PLO [Palestine Liberation Organization], IRA [Irish Republican Army], Red Brigade, and Japanese Red Army."

Wilson at one time cut a prominent profile in Washington's circles of influence, often entertaining at his 2,400-acre Upperville, Va., farm. After his retirement from the CIA in 1971, he set up a number of business enterprises that prospered under lucrative contracts from government intelligence operations.

In Wilson's scramble for business, key contacts in U.S. military procurement and congressional appropriations positions, were vital. One case, involving what appears to have been one of his most important contracts, illustrates his agility in meeting and dealing with men who controlled government programs.

The contract involved Wilson's work for the highly classified Navy Task Force 157, an intelligence effort designed to provide detailed information about Soviet shipping and naval capabilities in the early 1970s.

Sometime in early 1976, according to investigators, Wilson ran afoul of Adm. Bobby Ray Inman, then head of naval intelligence and now deputy to CIA Director William J. Casey. The encounter occurred when Wilson arranged through an assistant to then-Sen. John J. McClellan (D-Ark.) to meet Inman for lunch at a Capitol Hill restaurant.

Over lunch, Wilson reportedly made the following proposition to the naval intelligence chief: Wilson would employ his contacts in the Congress to lobby on behalf of Inman's naval budget requests if Inman in return would help funnel government contracts to Wilson's businesses.

Inman, reportedly indignant over the offer, cancelled Wilson's contracts with the task force and then shut down the entire task force operation.

The investigative report also supports the conclusion of federal prosecutors that Wilson was not acting with official sanction from the CIA. In one interview with an unidentified retired CIA agent who was solicited by Wilson to help train Libyan terrorists, Wilson asked the re-

tired agent to "be discreet about the conversation and not to inform the CIA."

The report also points out what the agents considered glaring inadequacies in the explosives control laws of the United States, pointing out that modern "binary" explosives—which are not volatile until their components are wedded—are not subject to the same record-keeping requirements that allow federal agents to audit and track sales and shipments of other explosives.

Prosecutors say that they have found at least two other deficiencies in the federal criminal code that would help stop those who support terrorism for profit. First, the federal authorities recommend legislation

that would require "trace" chemicals to be included in the manufacture of all explosives. This would help investigators determine the origin of terrorist bombs.

Secondly, prosecutors said the criminal code should be amended to make it a federal crime for Americans to conspire outside the country to kill people in the United States. This deficiency was discovered in the investigation of the October, 1980, shooting of a Libyan student in Colorado. The student was a critic of Qaddafi's policies. Investigators believe this murder may have been planned in Libya by Americans aiding Qaddafi.